



December 20, 2024

Docket No. M-2009-2094773

RICHARD G. WEBSTER, JR.
VICE PRESIDENT, REGULATORY POLICY & STRATEGY
PECO
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PHILADELPHIA, PA 19103
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Re: Biennial Inspection, Maintenance, Repair and Replacement Plan for PECO Energy Company (2026-2027) at Docket No. M-2009-2094773

Dear Mr. Webster:

On September 27, 2024, PECO Energy Company (PECO) filed its Biennial Inspection, Maintenance, Repair and Replacement Plan (Plan), pursuant to 52 Pa. Code § 57.198(a), to be made effective on January 1, 2026. On November 8, 2024, via Secretarial Letter, the Commission issued a data request to PECO seeking more information on visually inspecting above-ground, pad-mounted transformers. On November 22, 2024, PECO filed its response. On November 26, 2024, via Secretarial Letter, the Commission issued a second data request seeking more information on above-ground, pad-mounted distribution transformers. On December 12, 2024, PECO filed its response.

The Commission's regulations require EDCs to file, every two years by October 1, a biennial plan for the periodic inspection, maintenance, repair, and replacement of facilities that is designed to meet reliability performance benchmarks and standards set forth in 52 Pa. Code §§ 57.191-57.197. The Commission's Implementation Order, entered August 13, 2009, identified PECO as one of six (6) EDCs in Compliance Group 2 to initially file their Plan by October 1, 2010, and then every two years thereafter. The Plan must cover the two calendar years beginning 15 months after filing and remain in effect for two calendar years thereafter (January 1, 2026, through December 31, 2027).

PECO has proposed changes to its original plan, which will be discussed herein.

Plan Consistency

52 Pa. Code § 57.198(b) Plan consistency. The plan must be consistent with the National Electrical Safety Code, Codes and Practices of the Institute of Electrical and Electronic Engineers, Federal Energy Regulatory Commission Regulations, and provisions of the American National Standards Institute, Inc.

PECO's Plan generally complies with Section 57.198(b).

Time Frames

52 Pa. Code § 57.198(c) Time frames. The plan must comply with the inspection and maintenance standards in subsection (n). A justification for the inspection and maintenance time frames selected shall be provided, even if the time frame falls within the intervals prescribed in subsection (n). However, an EDC may propose a plan that, for a given standard, uses intervals outside the Commission standard, provided the deviation can be justified by the EDC's unique circumstances or a cost/benefit analysis to support an alternative approach that will still support the level of reliability required by law.

PECO has proposed modifications, discussed *infra*, for the following programs, or parts of programs:

- Pole loading calculations
- Distribution Pad Mounted Transformer Inspection Interval
- Substation Inspection Interval 25% grace period.

Record Keeping

52 Pa. Code § 57.198(m) Recordkeeping. An EDC shall maintain records of its inspection and maintenance activities sufficient to demonstrate compliance with its distribution facilities inspection, maintenance, repair and replacement programs as required by sub52 Pa. Code § (n). The records shall be made available to the Commission upon request within 30 days. Examples of sufficient records include:

- (1) *Date-stamped records signed by EDC staff who performed the tasks related to inspection.*
- (2) *Maintenance, repair and replacement receipts from independent contractors showing when and what type of inspection, maintenance, repair or replacement work was done.*

PECO's Plan generally complies with Section 57.198(m).

Vegetation Management

52 Pa. Code § 57.198(n)(1) Vegetation management. The Statewide minimum inspection and treatment cycle for vegetation management is between 4-8 years for distribution facilities. An EDC shall submit a condition-based plan for vegetation management for its distribution system facilities explaining its treatment cycle.

PECO states that its Vegetation Management program is primarily composed of a Distribution Preventive Maintenance Routine Pruning program. PECO notes that it moved from a five-year vegetation management cycle to a nominally four-year cycle, effective January 1,

2024.¹ PECO notes that there may be exceptions as the timing of some Distribution Preventive Maintenance work will be optimized to coordinate with planned capital construction work resulting in increased cost effectiveness.

PECO's Plan generally complies with Section 57.198(n)(1).

Pole Inspections

52 Pa. Code § 57.198(n)(2) Pole inspections. Distribution poles shall be inspected at least as often as every 10-12 years except for the new southern yellow pine creosoted utility poles which shall be initially inspected within 25 years, then within 12 years annually after the initial inspection. Pole inspections must include:

- (i) Drill tests at and below ground level,*
- (ii) A shell test.*
- (iii) Visual inspection for holes or evidence of insect infestation.*
- (iv) Visual inspection for evidence of unauthorized backfilling or excavation near the pole.*
- (v) Visual inspection for signs of lightning strikes.*
- (vi) A load calculation.*

The Plan states that PECO will visually inspect distribution wood poles on a 10 to 12-year cycle. PECO included a previously approved exemption from performing pole load calculations as part of pole inspections. PECO further clarified that it would continue to assess pole strength prior to attaching non-Company facilities and that such assessments require PECO to perform pole loading calculations.

Therefore, PECO is granted exemption from performing load calculations as part of its pole inspection program. The Plan is consistent with the previously approved Plan and complies with Section 57.198(n)(2).

Pole Inspection Failure

52 Pa. Code § 57.198(n)(3) Pole inspection failure. If a pole fails the groundline inspection and shows dangerous conditions that are an immediate risk to public or employee safety or conditions affecting the integrity of the circuit, the pole shall be replaced within 30 days of the date of inspection.

PECO's Plan generally complies with Section 57.198(n)(3).

Distribution Overhead Line Inspections

¹ PECO explains that the annual mileage of Vegetation Distribution Preventive Maintenance work is based on a four-year trim cycle with a 10% reduction of committed miles within a year to account for coordination with capital work and storm risks.

52 Pa. Code § 57.198(n)(4) Distribution overhead line inspections. Distribution lines shall be inspected by ground patrol a minimum of once every 1-2 years. A visual inspection must include checking for:

- (i) Broken insulators.*
- (ii) Conditions that may adversely affect operation of the overhead transformer.*
- (iii) Other conditions that may adversely affect operation of the overhead distribution line.*

PECO inspects primary distribution overhead lines and equipment up to fused rear property portions a minimum of once every one to two years. Fused rear property overhead lines and equipment are inspected on a nominally four-year cycle in conjunction with the Distribution Preventative Maintenance Routine Pruning Program (discussed in the Vegetation Management section above).

PECO's Plan generally complies with Section 57.198(n)(4)

Inspection Failure

52 Pa. Code § 57.198(n)(5) Inspection failure. If critical maintenance problems are found that affect the integrity of the circuits, they shall be repaired or replaced no later than 30 days from discovery.

PECO's Plan generally complies with Section 57.198(n)(5).

Distribution Transformer Inspections

52 Pa. Code § 57.198(n)(6) Distribution transformer inspection. Overhead distribution transformers shall be visually inspected as part of the distribution line inspection every 1-2 years. Above-ground pad-mounted transformers shall be inspected at least as often as every 5 years and below-ground transformers shall be inspected at least as often as every 8 years. An inspection must include checking for:

- (i) Rust, dents or other evidence of contact.*
- (ii) Leaking oil.*
- (iii) Installation of fences or shrubbery that could adversely affect access to and operation of the transformer.*
- (iv) Unauthorized excavation or changes in grade near the transformer.*

PECO notes that it visually inspects overhead distribution transformers as part of its overhead line inspections, pursuant to 52 Pa. Code § 57.198(n)(4). PECO notes that these inspections are designed to identify defective equipment and structures that could affect system reliability. PECO has requested continuation of a waiver of the five-year inspection cycle for above-ground pad-mounted transformers. PECO has moved to an eight-year inspection cycle to coincide with the required eight-year cycle for below-ground transformers. PECO is granted this continued exemption.

PECO's Plan generally complies with Section 57.198(n)(6).

Recloser Inspections

52 Pa. Code § 57.198(n)(7) Recloser inspections. Three-phase reclosers shall be inspected on a cycle of 8 years or less. Single-phase reclosers shall be inspected as part of the EDC's individual distribution line inspection plan.

PECO visually inspects single-phase reclosers through the Distribution Overhead Line Inspection Program, pursuant to 52 Pa. Code § 57.198(n)(4). PECO visually inspects and tests three-phase reclosers on a cycle of eight years or less.

PECO's Plan is consistent and generally complies with Section 57.198(n)(7).

Substation Inspections

52 Pa. Code § 57.198(n)(8) Substation inspections. Substation equipment, structures and hardware shall be inspected on a cycle of 5 weeks or less.

PECO's Plan generally complies with Section 57.198(n)(8). However, PECO's Plan includes a 25% grace period for substation inspections performed on a five-week cycle or less. This could increase the maximum five-week inspection cycle by up to eight days. This provision was previously granted and the 25% grace period has not appeared to adversely affect reliability. However, in order to ensure that PECO is consistently meeting the intent of 52 Pa. Code § 57.198(n)(8), and pursuant to the Commission's authority at 66 Pa.C.S. § 504 (relating to reports by public utilities), beginning with the quarterly reliability report² for the first quarter of 2025 PECO is directed to report in its quarterly reliability reports the number of substation inspections in in each quarter that were performed during a grace period.

Conclusion

Upon review of PECO's Biennial Inspection, Maintenance, Repair and Replacement Plan filed on September 27, 2024, it appears that the filing generally complies to the requirements of 52 Pa. Code § 57.198 and is accepted. Furthermore, as discussed supra, the exemptions requested by PECO are approved. These approvals are contingent upon the possibility that subsequent audits, reviews, and inquiries, in any Commission proceeding, may be conducted pursuant to 52 Pa. Code § 57.197(a). Finally, as described above, PECO shall report in its quarterly reliability reports the number of substation inspections in the quarter that were performed during a grace period.

This plan must remain in effect for two calendar years, beginning January 1, 2026. PECO may, however, request Commission approval of subsequent revisions to its approved Plan, in accordance with 52 Pa. Code § 57.198(l). Revisions must be submitted to the Commission as an addendum to PECO quarterly reliability report filed pursuant to § 57.195, including prospective and past revisions to its Plan and a justification for the revisions.

² Required pursuant to 52 Pa. Code § 57.195(d).

If you are dissatisfied with the resolution of this matter, you may, as set forth in 52 Pa. Code § 5.44, file a petition with the Commission within twenty (20) days after the date of this letter. Please direct any questions regarding this filing to John Van Zant, Reliability and Emergency Preparedness Supervisor, Bureau of Technical Utility Services at (717) 773-7380, or jvanvant@pa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Rosemary Chiavetta". The signature is written in a cursive style with a large initial "R".

Rosemary Chiavetta
Secretary

cc: Kriss Brown, LAW
John Van Zant, TUS
Dan Searfoorce, TUS
Brent Killian, BIE